



SPONSOR: Rep. Keeley & Sen. McDowell
Reps. Baumbach, Mitchell, Osienski, Viola, Wilson; Sen.
Simpson

HOUSE OF REPRESENTATIVES
149th GENERAL ASSEMBLY

HOUSE BILL NO. 30

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATED TO INFORMATION RETURN FILING DEADLINES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend § 1154, Title 30 of the Delaware Code by making deletions as shown by strikethrough and
2 insertions as shown by underline as follows:

3 § 1154. Employer's return and payment of tax withheld [Effective Jan. 1, 2017]

4 (h) Information returns. — Any person (1) required to withhold, account for, and pay over taxes under this chapter
5 for which federal information return form W-2 is required, (2) making any payment of salary, fee, commission or other
6 compensation for services to any Delaware resident individual or to any individual nonresident for work done or services
7 performed or rendered within Delaware for which federal information returns form 1099 MISC or successor form is
8 required, or (3) otherwise withholding Delaware taxes from payment of any wage, pension, distribution or other
9 remuneration shall also file with the Division of Revenue information returns with respect to each such individual to whom
10 such federal forms are required to be issued. If a person is required to make and return such information reports to the
11 Internal Revenue Service on magnetic media under Internal Revenue Code § 6011 [26 U.S.C. § 6011] and regulations
12 thereunder or successor provision, then the information returns required to be made under this section shall, unless excepted
13 by the Director, also be made on magnetic media. ~~Returns required to be filed on magnet media under this section shall be~~
14 ~~filed with the Division of Revenue on or before March 1 of the year following the tax year to be reported. All other returns~~
15 required to be filed under this section shall be filed with the Division of Revenue on or before the date on which such
16 returns are required to be filed with the Internal Revenue Service.

17 Section 2. This Act shall be effective for information returns required to be filed after December 31, 2017.

SYNOPSIS

This Act conforms Delaware's deadlines for filing certain information returns to those established in the Internal Revenue Code. In an effort to combat identity theft and taxpayer fraud, federal filing dates were recently changed. For example, starting in 2017 the federal deadline for an employer to file aggregated W-2 data with the IRS will be January 31, which is the same date on which W-2s are distributed to individual taxpayers. Prior to this change, the IRS did not receive W-2 data until March 1 meaning that there has been a one-month window in which it could not readily confirm the authenticity of W-2s filed with taxpayers' returns.

Like other states and the IRS, Delaware has had to devote considerable resources to combating fraud and identity theft. By conforming to the new federal standard, Delaware will have data on hand that will help identify and isolate fraudulent filings. As the State's employers will already be required to comply with the new federal deadlines, conforming Delaware's filing dates will result in no additional administrative burden.